

APR 29 1981 - 12 20 PM

LETTER OF TRANSMITTAL

INTERSTATE COMMERCE COMMISSION

Secretary of the Interstate
Commerce Commission
Constitution and 12th Street, N.W.
Washington, D.C. 20423

RECORDATION NO. 9790-C Filed 1425

APR 29 1981 - 12 20 PM

INTERSTATE COMMERCE COMMISSION

Dear Sir:

Pursuant to Part 1116 of the regulations of the Interstate Commerce Commission, 49 CFR Part 1116, I hereby request that you record under 49 U.S.C. §11303 the following documents:

1. Equipment Lease dated as of May 30, 1980 between The Connecticut Bank and Trust Company, not in its individual capacity but solely as Trustee, and Bessemer and Lake Erie Railroad Company;
2. Security Agreement - Trust Deed Supplement dated as of May 30, 1980 between The Connecticut Bank and Trust Company, not in its individual capacity but solely as Trustee, and First Security Bank of Utah, N.A., not in its individual capacity but solely as Security Trustee (Supplement to Security Agreement - Trust Deed filed and recorded on October 24, 1978 as Doc. No. 9790).

The original and one counterpart of each of the above-listed documents are enclosed herewith for filing purposes.

Lessee

Bessemer and Lake Erie Railroad Company
600 Grant Street
P.O. Box 536
Pittsburgh, Pennsylvania 15230

Lessor

The Connecticut Bank and Trust Company
One Constitution Plaza
Hartford Connecticut 06115
Attention: Corporate Trust Department

No. 1-119A106
Date APR 29 1981
Fee \$ 60.00
By ICC Washington, D. C.

RECEIVED

APR 29 12 21 PM '81

RECEIVED

The equipment covered by the aforesaid Leases and Security Agreement Supplements are 500 covered hopper cars. The A.A.R. mechanical designation of the equipment is "H250" and the car numbers are 50300 to 50799, both inclusive.

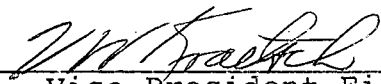
The original and all extra copies of the enclosed documents should be returned to Mr. Donn Beloff of Schiff Hardin & Waite, 1101 Connecticut Avenue, N.W., Washington, D.C. 20036.

A \$60.00 check, payable to the Interstate Commerce Commission, also is enclosed to cover the required recordation fee.

I am an officer of Bessemer and Lake Erie Railroad Company and have knowledge of the matters set forth herein.

Very truly yours,

BESSEMER AND LAKE ERIE
RAILROAD COMPANY

By 
Vice President-Finance

Dated: April 1, 1981

Interstate Commerce Commission
Washington, D.C. 20423

4/29/81

OFFICE OF THE SECRETARY

Donn Beloff
Schiff Hardin & Waite
1101 Conn. Ave., N.W.
Washington, D.C. 20036

Dear **Sir:**

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on **4/29/81** at **12:30pm**, and assigned re-recording number(s). **9790-B & 9790-C**

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

SE-30
(7/79)

RECORDATION NO. 9790-C Filed 1428

APR 29 1981 12 20 PM

INTERSTATE COMMERCE COMMISSION

EQUIPMENT LEASE

Dated as of May 30, 1980

BETWEEN

THE CONNECTICUT BANK AND TRUST COMPANY,
not in its individual capacity but solely as Trustee

LESSOR

AND

BESSEMER AND LAKE ERIE RAILROAD COMPANY

LESSEE

(B&LE Lease No. 80-2)
(500 100-Ton Open-Top Hopper Cars)

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EQUIPMENT LEASE

THIS EQUIPMENT LEASE (this "Lease" or "Equipment Lease") dated as of May 30, 1980, between THE CONNECTICUT BANK AND TRUST COMPANY, not in its individual capacity but solely as Trustee, a Connecticut banking corporation (the "Lessor"), and BESSEMER AND LAKE ERIE RAILROAD COMPANY, a Pennsylvania corporation (the "Lessee").

R E C I T A L S

A. Pursuant to a Trust Agreement, dated as of June 1, 1978, as amended, (the "Trust Agreement"), between Lessor and Hillman Manufacturing Company, a Pennsylvania corporation (the "Trustor"), the Lessor is the owner of the railroad equipment described on Schedule A hereto (collectively the "Items" or the "Equipment" and individually an "Item" or "Item of Equipment"). Lessor wishes to lease the Equipment to Lessee on the terms and conditions hereinafter set forth.

B. The Lessee is a common carrier by railroad and wishes to lease the Equipment from the Lessor on the terms and conditions hereof.

C. Pursuant to a Participation Agreement dated as of June 1, 1978 (the "Participation Agreement") among First Security Bank of Utah, N.A., as security trustee (the "Security Trustee"), William M. Gibbons as Trustee of the Property of the Rock Island and Pacific Railroad Company ("Trustee"), the Lessor, the Trustor and the institutional investors named in Schedule 2 thereto (the "Note Purchasers"), the Items subject to this Lease were subject to an Equipment Lease (the "Prior Lease") dated as of June 1, 1978 between Lessor and the Trustee. The Prior Lease has been terminated pursuant to a Termination Agreement (the "Termination Agreement") between Lessor and the Trustee dated as of May 29, 1980.

D. Also pursuant to the Participation Agreement, Secured Notes in the original principal amount of \$9,917,250 (the "Notes") were issued to the Note Purchasers which Notes were secured by a security interest in Lessor's right, title and interest in the Prior Lease and the Equipment and will continue to be secured by a security interest in the Equipment and this Lease.

SECTION 1. LEASE AND DELIVERY OF EQUIPMENT

1.1 Intent to Lease and Hire. Upon Lessee's acceptance of an Item of Equipment in the manner hereinafter provided, the Lessor shall lease and let such Item of Equipment to the Lessee for the rental and on and subject to the terms and conditions herein set forth.

1.2 Delivery and Inspection of Equipment. In furtherance of the termination of the Prior Lease, the Lessee shall cooperate

with the Lessor in seeking car service orders from the Interstate Commerce Commission ("ICC") or the Association of American Railroads ("AAR") that direct all carriers in possession of any of the Items to return the Items, after their loads are emptied, to one of the interchange points with the Elgin, Joliet and Eastern Railway Company ("EJ&E") described on Schedule B hereto (the "Interchange Points"). When the Items are received at the Interchange Points, the Lessee agrees to make or cause the making of normal and adequate inspection to provide, among other things, for attachment of foreign line defect cards, if appropriate. At the time of such inspection, Lessee will prepare an inspection report substantially in the form of Schedule C attached hereto (the "Inspection Report") for each Item requiring Damage Repairs as hereinafter defined. Not less often than weekly, Lessee will notify Lessor of all Items which have been received at an Interchange Point since the time of Lessee's last previous notice and of the results of said inspection. Items which Lessee believes are damaged and not acceptable for interchange (herein "Damaged Items" or "Damaged Item") shall be marshalled and stored on holding tracks, and Lessee will periodically notify (or cause notification to be made to) Trustee and Lessor that the Damaged Items are available for joint inspection. The joint inspection will be made by the Trustee, the Lessor and the Lessee, utilizing the Inspection Report, within 60 days of Lessee's receipt of a Damaged Item and they shall determine what repairs ("Damage Repairs") are necessary to restore the Damaged Item to an undamaged condition suitable for interchange under AAR Interchange Rules and applicable federal freight car safety standards and in the condition in which they were originally delivered to Trustee, reasonable wear and tear excepted. If Trustee or his authorized representative does not appear within five days from the time that notice is received for the joint inspection of the Damaged Units, Lessee shall make or cause an inspection of the Damaged Units to be made which inspection shall be warranted to Lessee by Trustor to be binding upon Trustee.

1.3 Repair of Equipment. In the event that any Item received at an Interchange Point for Lease hereunder requires Damage Repairs, other than an Item excluded pursuant to Section 1.4 hereof, Lessee shall make or cause such repairs to be made after such Item has been inspected pursuant to Section 1.2 hereof. The amount charged for such Damage Repairs to each Item shall be in such amount as is agreed to, by Lessor and Lessee and set forth in the Inspection Report for such Item, and such expense shall be paid by the Lessor. Lessee shall issue or cause to be issued an invoice after the Damage Repairs on each Item have been completed covering the cost of the Damage Repairs for each Damaged Item and Lessor shall pay said invoice within thirty (30) days from the receipt thereof.

1.4 Undelivered and Unrepairable Equipment. In the event that any Item (i) is not received at an Interchange Point for lease hereunder prior to January 1, 1982, or (ii) is reported lost or destroyed by the Trustee, or (iii) is received at an Interchange Point in such severely damaged condition that Lessor and Lessee agree that repair of such Item is not practicable, then such Item shall be deleted from Schedule A hereto and shall no longer be an Item subject to the terms hereof.

1.5 Acceptance of Equipment. Each Item received by Lessee at an Interchange Point, other than Items excluded pursuant to Section 1.4 hereof, as evidenced by Lessee's execution and delivery of an Inspection Report for same will be deemed irrevocably accepted by Lessee for all purposes of this Lease on the date (the "Acceptance Date") determined as follows:

(a) Each Item which is not a Damaged Item will be deemed accepted by Lessee after the later of (i) May 30, 1980 or (ii) five days after the date the Item is received at an Interchange Point or when placed in service whichever occurs first.

(b) Each Damaged Item requiring Damage Repairs in order to comply with applicable federal freight car safety standards ("Safety Act Damage Repairs") will be deemed accepted on the date which occurs after such number of days as is estimated to be required for such repairs after the earlier of (i) the date on which the Trustee has inspected the Item (provided that Lessee and Lessor concur in the results of such inspection), or (ii) the date on which the Trustee's right to inspect the Item terminates (provided that Lessor has previously notified Lessee of such date, and Lessor and Lessee concur in the results of any inspection without the Trustee).

(c) Each Damaged Item which does not require Safety Act Damage Repairs will be deemed accepted on the date which occurs three days after the acceptance date for such Item determined as provided in paragraph (b) above.

1.6 Lessee's Satisfaction With Equipment. Except as provided in Section 1.4 above, the Lessee's execution and delivery of an Inspection Report with respect to each Item of Equipment pursuant to Section 1.2 hereof shall establish that, subject to the making of any Damage Repairs described in the Inspection Report, such Item of Equipment is acceptable to and accepted by the Lessee under this Lease, and that such Item of Equipment is, except as indicated in such Inspection Report, in good order and condition.

1.7 Disputes. All disputes between the Lessor and the Lessee regarding the condition of the Items upon receipt at an Interchange Point for Lease hereunder and the expense of, and time required for, Damage Repairs shall be resolved by an arbitrator that is acceptable to both parties.

SECTION 2. RENTALS AND PAYMENT DATES.

2.1 Rent for Equipment. The Lessee agrees to pay the Lessor the following rent in arrears for each Item of Equipment accepted under this Lease:

(a) Interim Rental. For each Item of Equipment, \$10.10 per day (the "Interim Rental") for the period, if any, from the date following the Acceptance Date for such Item to, but not including, the next succeeding quarterly date for payment of Fixed Rental as set forth in Section 2.2(b) below.

(b) Fixed Rental. For each Item of Equipment, quarterly installments of fixed rental (the "Fixed Rental"), in the amount of \$921.63 to and including March 14, 2001.

2.2 Rental Payment Dates.

(a) The Interim Rental for each Item shall be payable on the twentieth business day of each month following the Acceptance Date for such Item based on Interim Rental due for each Item for the immediately preceding month. Such Interim Rental shall continue to accrue until September 15, 1981 (the "Term Lease Commencement Date") occurs.

(b) The first installment of Fixed Rental for each Item of Equipment shall be due and payable on December 15, 1981 for the period from September 15, 1981 to December 15, 1981 and the balance of said installments shall be payable on each March 15, June 15, September 15 and December 15 thereafter with the final such installment payable March 14, 2001; provided, however, if any rent payment date is not a business day, the rent payment otherwise payable on such date shall be payable on the next succeeding business day. For purposes of this Lease, the term "business day" means calendar days, excluding Saturdays, Sundays and holidays on which banks in either the States of Utah, Connecticut or Pennsylvania are authorized or required to close.

2.3. Place of Rent Payment. The Lessor instructs the Lessee to make all payments due hereunder as follows:

(a) Each installment of Interim Rental or Fixed Rental shall be paid to the account of the Lessor by bank wire transfer (identifying the same as payment of Interim Rental or Fixed Rental, as the case may be, relating to BLE Lease No. 80-2) to the address provided for payments in Section 21.1 hereof; provided that in the event either the Lessor or the Security Trustee shall notify the Lessee in writing that the right to receive payment of such installment shall have been assigned in accordance with Section 16 hereof, the Lessee shall make such payment by wire transfer to the place designated in such notice or as otherwise designated from time to time in writing by such assignee; and provided further that in the event such notice shall direct the Lessee to divide such installment into not more than two portions and to pay each portion by wire transfer separately to not more than two parties, the Lessee agrees to do so; provided that Lessee shall be under no obligation to see to the application of such payments as between the parties inter se.

(b) The entire amount of any payment of Casualty Value pursuant to Section 11 hereof shall be paid to the Lessor by a check drawn on a bank located in the continental United States (identifying the same as a payment of Casualty Value relating to BLE Lease No. 80-2) and forwarded to the Lessor in the manner provided for payments in

Section 21.1 hereof; provided that in the event either the Lessor or the Security Trustee shall notify the Lessee in writing that the right to receive payment of such Casualty Value shall have been assigned in accordance with Section 16 hereof, the Lessee shall make such payment by such check in the manner designated in such notice or as otherwise designated from time to time in writing by such assignee;

(c) The Amount of any payment owing to the Lessor pursuant to Section 6 or 10.2 hereof shall be made directly to the party to receive the same without regard to the assignment of this Lease or the payments due hereunder pursuant to Section 16 hereof;

(d) The amount of any interest due in respect of the late payment of amounts pursuant to Section 19 hereof shall be paid to the party and in the manner herein provided to receive said rental or other amount; and

(e) All payments other than those above specified shall be made by the Lessee directly to the party to receive the same unless any such payment has previously been made by the Lessor or the Security Trustee, in which case the Lessee shall reimburse the Lessor or the Security Trustee, as the case may be, directly for such payment.

The Lessee agrees that it will initiate payments due hereunder by wire transfer where specified above at or prior to 10:00 a.m. on the due date of such payment in federal or otherwise immediately available funds to the party to whom such payment is to be made, and otherwise by check of the Lessee drawn on a bank located in the continental United States and mailed to the party to receive the same at the address herein provided or at such other address as the Lessee shall have been provided in writing.

2.4 Net Lease. This Lease is a net lease and the Lessee's obligation to pay all Interim Rental and Fixed Rental and other amounts payable hereunder shall be absolute and unconditional under any and all circumstances and, without limiting the generality of the foregoing, the Lessee shall not be entitled to any abatement of rent or reduction thereof or setoff against rent, including, but not limited to, abatements, reductions or setoffs due to any present or future claims of the Lessee against the Lessor or the Trustor under this Lease or otherwise or against any assignee of the Lessor pursuant to Section 16 hereof; nor except as otherwise expressly provided herein, shall this Lease terminate, or the respective obligations of the Lessee be otherwise affected, by reason of any defect in or damage to or loss or destruction of all or any of the Equipment from whatsoever cause, the taking or requisitioning of the Equipment by condemnation or otherwise, the lawful prohibition of Lessee's use of the Equipment, the interference with such use by any private person or corporation, the invalidity or unenforceability or lack of due authorization or other infirmity of this Lease, or lack

of right, power or authority of the Lessor to enter into this Lease, or for any other cause whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding, it being the intention of the parties hereto that the rents and other amounts payable by the Lessee hereunder shall continue to be payable in all events unless the obligation to pay the same shall be terminated pursuant to Section 11 hereof, or until, pursuant to Section 13 hereof, the Equipment has been returned to the possession of the Lessor (for all purposes of this Lease any Item of Equipment shall not be deemed to have been returned to the Lessor's possession until all of the Lessee's obligations with respect to the return, transportation and storage thereof have been performed). To the extent permitted by applicable law, the Lessee hereby waives any and all rights which it may now have or which at any time hereafter may be conferred upon it, by statute or otherwise, to terminate, cancel, quit or surrender the Lease or any of the Items of Equipment except in accordance with the express terms hereof. Each rental or other payment made by the Lessee hereunder shall be final and the Lessee shall not seek to recover all or any part of such payment from the Lessor or any part of such payment from the Lessor or any assignee pursuant to Section 16 hereof for any reason whatsoever.

SECTION 3. TERM OF THE LEASE.

The term of this Lease as to each Item of Equipment shall begin on the Acceptance Date of such Item and, subject to the provisions of Sections 11, 14 and 18 hereof, shall terminate as to such Item on March 14, 2001; provided that the Lessee shall thereafter continue to be liable in respect of any obligation which accrues hereunder prior to such termination until payment or performance of such obligation in full.

SECTION 4. OWNERSHIP AND MARKING OF EQUIPMENT.

4.1. Retention of Title. The Lessor, as between the Lessor and the Lessee, shall and hereby does retain full legal title to the Equipment notwithstanding the delivery thereof to and possession and use thereof by the Lessee.

4.2. Duty to Number and Mark Equipment. The Lessee will cause each Item of Equipment to be kept numbered with its road number as set forth in Schedule A hereto and will keep and maintain, plainly, distinctly, permanently and conspicuously marked by a plate or stencil printed in contrasting color upon each side of each Item of Equipment in letters not less than one inch in height as follows:

"Owned by a Bank or Trust Company
and Subject to a Security Interest
Recorded with the I.C.C."

with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the title of the Lessor to such Item of Equipment, its rights under this Lease and the rights of any assignee under Section 16 hereof. The Lessee will not place any such Item of Equipment in operation or exercise any control or dominion over the same until the required legend shall have been so marked on both sides thereof and will replace promptly any such names and word or words which may be removed, defaced or destroyed. The Lessee will not change the road number of any Item of Equipment except in accordance with a statement of new road numbers to be substituted therefor, which statement previously shall have been delivered to the Lessor, the Trustor and the Security Trustee by the Lessee and filed, recorded or deposited in all public offices where this Lease shall have been filed, recorded or deposited.

4.3 Prohibition Against Certain Designations. Except as above provided, the Lessee will not allow the name of any person, association or corporation to be placed on the Equipment as a designation that might be interpreted as a claim of ownership; provided, however, that the Lessee may cause the Equipment to be lettered with the names or initials or other insignia customarily used by the Lessee or an Affiliated Company (hereinafter defined) on railroad equipment used by it or an Affiliated Company of the same or a similar type for convenience of identification of the right of the Lessee to use the Equipment under this Lease.

SECTION 5. DISCLAIMER OF WARRANTIES.

THE LESSOR LEASES THE EQUIPMENT AS-IS IN WHATEVER CONDITION IT MAY BE WITHOUT ANY AGREEMENT, WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, BY THE LESSOR OR THE TRUSTOR. LESSOR AND TRUSTOR EACH EXPRESSLY DISCLAIMS ANY WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO (A) THE FITNESS FOR ANY PARTICULAR PURPOSE OR MERCHANTABILITY OF ANY ITEM OR ITEMS OF EQUIPMENT, (B) THE DESIGN OR CONDITION OF, OR AS TO THE QUALITY OF THE MATERIAL, EQUIPMENT OR WORKMANSHIP IN, THE EQUIPMENT, OR (C) ANY OTHER MATTER WHATSOEVER OTHER THAN MATTERS REFERRED TO IN SECTION 17 HEREOF, IT BEING AGREED THAT ALL SUCH RISKS, AS BETWEEN THE LESSOR AND THE LESSEE, ARE TO BE BORNE BY THE LESSEE. Lessor hereby appoints and constitutes the Lessee its agent and attorney-in-fact during the term of this Lease to assert and enforce, from time to time, in the name and for the account of the Lessor and the Lessee, as their interests may appear, but in all cases at the sole cost and expense of the Lessee, whatever claims and rights the Lessor may have against the manufacturer of an Item; however, (i) that Lessee shall in its sole discretion determine whether, in what manner and to what extent to exercise such claims and rights, (ii) any sums recovered by Lessee hereunder shall be first applied to the payments of such expenses (including, without limitation, counsel and related costs and fees) incurred in the assertion of such claims and rights and the balance, if any, shall be next applied to repair restoring each Item which was the subject of such claims and rights to its original condition, usual wear and tear excepted, with the balance, if any, to

be transferred to Lessor; and (iii) that if at any time an Event of Default shall have occurred and be continuing, the Lessor may assert and enforce, at the Lessee's sole cost and expense, such claims and rights. The Lessor shall have no responsibility or liability to the Lessee or any other person with respect to any of the following: (i) any liability, loss or damage caused or alleged to be caused directly or indirectly by any Item of Equipment or by any inadequacy thereof or deficiency or defect therein or by any other circumstances in connection therewith; (ii) the use, operation or performance of any Item of Equipment or any risks relating thereto; (iii) any interruption of service, loss of business or anticipated profits or consequential damages; or (iv) the delivery, operation, servicing, maintenance, repair, improvement or replacement of any Item of Equipment.

SECTION 6. LESSEE'S INDEMNITY.

6.1. Scope of Indemnity. The Lessee shall defend, indemnify and save harmless the Lessor (in both its individual and fiduciary capacities), any assignee thereof pursuant to Section 16 hereof (including, without limitation, the Security Trustee) and the Trustor and their respective successors and assigns (collectively the "Indemnitees") from and against:

(a) any and all loss or damage to any Item of the Equipment which shall occur after its Acceptance Date, usual wear and tear excepted; and

(b) any claim, cause of action, damages, liability, cost or expense (including, without limitation, counsel fees and costs in connection therewith) which may be incurred in any manner by or for the account of any of them arising after the Acceptance Date with respect to each Item involved (i) relating to any Item or any part thereof, including, without limitation, the construction, purchase, delivery, acceptance, ownership, sale, leasing, return, or storage of any Item or as a result of the use, maintenance, repair, replacement, operation or the condition thereof (whether defects are latent or discoverable by the Lessee or any indemnified party), (ii) by reason or as the result of any act or omission (whether negligent or otherwise) of the Lessee for itself or subject to Section 5 hereof, as agent or attorney-in-fact for the Lessor hereunder, (iii) as a result of claims for patent, trademark or copyright infringement, or (iv) as a result of claims for negligence or strict liability in tort.

The indemnities set forth in this Section 6.1 shall apply without regard to any negligence on the part of the Lessor or the Trustor provided Lessee shall not be required to indemnify the Indemnitees or any of them as a result of the wilful misconduct or gross negligence of the Indemnitees or any of them. The Indemnitees and assumptions of liabilities set forth in this Section 6.1 do not guarantee a residual value in the Equipment nor do they guarantee the payment of the Notes or any interest accrued thereon.

6.2. Continuation of Indemnities and Assumptions. The indemnities and assumptions of liability in this Section 6 contained shall continue in full force and effect notwithstanding the termination of this Lease, or the termination of the term hereof in respect of any one or more Items of Equipment, whether by expiration of time, by operation of law or otherwise; provided, however, that such indemnities and assumptions of liability shall not apply in respect of any matters referred to in subsection (a) or clause (i), (ii) or (iv) of subsection (b) of Section 6.1 hereof, occurring after the termination of this Lease, except for any such matters occurring after the termination arising in connection with the Lessee's assembling, delivering, storing or transporting of the Equipment as provided in Section 13 or 15, as the case may be. The Lessee shall be entitled to control, and shall assume full responsibility for, the defense of such claim or liability.

SECTION 7. RULES, LAWS AND REGULATIONS.

The Lessee agrees to comply with all governmental laws, regulations, requirements and rules (including, without limitation, the rules of the United States Department of Transportation, the Interstate Commerce Commission and the current Interchange Rules or supplements thereto of the Mechanical Division, Association of American Railroads as the same may be in effect from time to time) with respect to the use and maintenance of each Item of Equipment subject to this Lease. In case any equipment or appliance is required to be altered, added, replaced or modified on any Item of Equipment in order to comply with such laws, regulations, requirements and rules, the Lessee agrees to make such alterations, additions, replacements and/or modifications at its own expense and title thereto shall be immediately vested in the Lessor. Pursuant to Section 9.6 of the Participation Agreement, the Trustor shall determine whether the value of any alteration, replacement, addition or modification to any Item of Equipment pursuant to this Section 7 (the "Alterations") must be included in its gross income for Federal income tax purposes. The Lessee agrees that, within 30 days after the close of any calendar quarter in which the Lessee had made any Alteration, the Lessee will give written notice thereof to the Lessor describing, in reasonable detail, the Alterations and specifying the cost thereof with respect to each Item of Equipment and the date or dates when made.

SECTION 8. USE AND MAINTENANCE OF EQUIPMENT.

The Lessee shall use the Equipment only in the manner for which it was designed and intended and so as to subject it only to ordinary wear and tear. The Lessee shall, at its own cost and expense, maintain and keep the Equipment in good order, condition and repair, ordinary wear and tear excepted, qualified for use in interchange. Except as required by the provisions of Section 7

hereof and the modifications authorized in Schedule A to this Lease, the Lessee shall not modify any Item of Equipment without the prior written authority and approval of the Lessor and any assignee pursuant to Section 16 hereof which shall not be unreasonably withheld. Any parts installed or replacements made by the Lessee upon any Item of Equipment pursuant to Section 7 hereof or pursuant to its obligation to maintain and keep the Equipment in good order, condition and repair under this Section 8 shall be considered accessions to such Item of Equipment and title thereto shall be immediately vested in the Lessor without cost or expense to the Lessor. The Lessee shall make no other additions or improvements to any Item of Equipment unless the same are readily removable without causing material damage to such Item of Equipment. Title to any such readily removable additions or improvements shall remain with the Lessee. If the Lessee shall at its cost cause such readily removable additions or improvements to be made to any Item of Equipment, the Lessee agrees that it will, prior to the return of such Item of Equipment to the Lessor hereunder, remove the same at its own expense without causing material damage to such Item of Equipment.

SECTION 9. LIENS ON THE EQUIPMENT.

The Lessee shall pay or satisfy and discharge any and all claims against, through or under the Lessee and its successors or assigns arising after the Acceptance Date with respect to an Item of Equipment which, if unpaid, might constitute or become a lien or a charge upon any Item of Equipment, and any liens or charges which may be levied against or imposed upon any Item of Equipment as a result of the failure of the Lessee to perform or observe any of its covenants or agreements under this Lease, and any other liens or charges which arise by virtue of claims against, through or under any party other than Lessor, but the Lessee shall not be required to pay or discharge any such claims so long as it shall, in good faith and by appropriate legal proceedings, contest the validity thereof in any reasonable manner which will not affect or endanger the title and interest of the Lessor or the security interest or other rights of any assignee under Section 16 hereof in and to the Equipment. The Lessee's obligations under this Section 9 shall, subject to statutes and laws governing limitations of actions, survive the termination of this Lease.

SECTION 10. FILING; PAYMENT OF TAXES.

10.1. FILING. The Lessee will, at its sole expense, cause this Lease to be duly filed, registered, recorded or deposited with the Interstate Commerce Commission in accordance with 49 USC Section 11303 with the Registrar General of Canada (with notice of such deposit to be published in The Canada Gazette in accordance with Section 86 of the Railway Act of Canada) and in such other places within or without the United States as the Lessor or the Security Trustee may reasonably request and will furnish the Lessor and the Security Trustee proof thereof. The Lessee will, from time to time, do and perform any other act and will execute, acknowledge, deliver, file, register and record (and will refile, reregister or rerecord

whenever required) any and all further instruments required by law or reasonably requested by the Lessor or the Security Trustee, for the purpose of protecting the Lessor's title to, or the Security Trustee's security interest in, or the Lessor's leasehold estate in, any Item of Equipment to the reasonable satisfaction of the Lessor's or the Security Trustee's counsel or for the purpose of carrying out the intention of this Lease, and in connection with any such action, will deliver to the Lessor and the Security Trustee proof of such filings and a certificate that such action has been properly taken. The Lessee will pay all costs, charges and expenses incident to any such filing, refiling, recording and rerecording or depositing and redepositing of any such instruments or incident to the taking of such action.

10.2. Payment of Taxes. All payments to be made by the Lessee hereunder will be free of expense to the Lessor both in its individual and fiduciary capacities, any assignee thereof pursuant to Section 16 hereof (including, without limitation, the Security Trustee) and the Trustor (the "Indemnitees") of collection or other charges and will be free of expense to the Indemnitees with respect to the amount of any local, state, Federal or foreign taxes (other than any United States Federal income tax [and, to the extent that any respective Indemnatee receives credit therefor against its United States Federal income tax liability, any foreign income tax of such Indemnatee] payable by any respective Indemnatee in consequence of the receipt of payments provided herein and other than the aggregate of all net income or franchise taxes measured by net income based on such receipts, up to the amount of any such taxes which would be payable to the state and city in which such Indemnatee has a principal place of or conducts business) assessments or license fees and any charges, fines or penalties in connection therewith (hereinafter called "Impositions") hereafter levied or imposed upon or in connection with or measured by this Lease or any sale, rental, use, payment, shipment, delivery or transfer of title under the terms hereof or the Security Agreement, all of which Impositions the Lessee assumes and agrees to pay on demand in addition to the payments to be made by it provided for herein. The Lessee will also pay promptly all Impositions which may be imposed upon any Item of Equipment or for the use or operation thereof or upon the earnings arising therefrom or upon any Indemnatee solely by reason of its interest with respect thereto and will keep at all times all and every part of such Item of Equipment free and clear of all Impositions which might in any way affect the interest of any Indemnatee therein or result in a lien upon any such Item of Equipment; provided, however, that the Lessee shall be under no obligation to pay any Impositions so long as it is contesting in good faith and by appropriate legal proceedings such Impositions and the nonpayment thereof does not, in the reasonable opinion of the affected Indemnatee, adversely affect the interest of any Indemnatee hereunder or under the Security Agreement. If any Impositions shall have been charged or levied against any Indemnatee directly and paid by such Indemnatee after such Indemnatee shall have given written notice thereof to the Lessee and the same shall have remained unpaid for a period of ten business days thereafter, the Lessee shall reimburse such Indemnatee on

presentation of invoice therefor. Prior to making such payment, such Indemnatee shall promptly notify the Lessee of the Impositions charged or levied, and the Lessee shall have the opportunity to contest in good faith and by appropriate legal proceedings such Impositions, at its sole expense.

In the event any reports with respect to Impositions are required to be made on the basis of individual Items of Equipment, the Lessee will either prepare and file such reports in such manner as to show as required the interests of each Indemnatee in such Items of Equipment or, if it shall not be permitted to file the same, it will notify each Indemnatee of such reporting requirements, prepare such reports in such manner as shall be satisfactory to each Indemnatee and deliver the same to each Indemnatee within a reasonable period prior to the date the same is to be filed.

In the event that, during the continuance of this Lease, any Imposition accrues or becomes payable or is levied or assessed (or is attributable to the period of time during which this Lease is in existence) which the Lessee is or will be obligated to pay or reimburse, pursuant to this Section 10.2, such liability shall continue, notwithstanding the expiration or termination of this Lease for any reason whatsoever, until all such Impositions are paid or reimbursed by the Lessee.

SECTION 11. PAYMENT FOR CASUALTY OCCURRENCE.

11.1. [This Section has been intentionally omitted.]

11.2. Duty of Lessee to Notify Lessor. In the event that any Item of Equipment shall be or become lost, stolen, destroyed, or, in the reasonable opinion of the Lessee, irreparably damaged or beyond economic repair during the term of this Lease or thereafter while such Item of Equipment is in the possession of the Lessee pursuant to Section 13 or 15 hereof, or title or use thereof shall be requisitioned or taken over by any governmental authority under the power of eminent domain or otherwise during the term of this Lease for a stated period which exceeds the then remaining term of this Lease (any such occurrence being hereinafter called a "Casualty Occurrence"), the Lessee shall promptly and fully (after it has knowledge of such Casualty Occurrence) inform the Lessor, any assignee thereof pursuant to Section 16 hereof (including, without limitation, the Security Trustee) and the Trustor in regard thereto and shall pay the Casualty Value (as defined in Section 11.6 hereof) of such Item in accordance with the Terms of Section 11.3 hereof.

11.3. Sum Payable for Casualty Loss. The Lessee, on the next succeeding rent payment date following its knowledge of a Casualty Occurrence with respect to any Item or Items of Equipment, shall pay to the Lessor the Interim or Fixed Rental installment due on such payment date for such Item or Items of Equipment plus any rentals or other sums due on or prior to such date then remaining

unpaid plus a sum equal to the Casualty Value of such Item or Items of Equipment as of the date of such payment.

11.4. Rent Termination. Upon (and not until) payment of all sums required to be paid pursuant to Section 11.3 hereof in respect of any Item or Items of Equipment, the obligation to pay rent for such Item or Items of Equipment accruing subsequent to the Casualty Value payment date shall terminate, but the Lessee shall continue to pay rent for all other Items of Equipment.

11.5 Disposition of Equipment. The Lessee shall, as agent for the Lessor and Trustor, dispose of such Item of Equipment having suffered a Casualty Occurrence as soon as it is reasonably and commercially able to do so for the fair market value thereof; provided (i) that Lessee may dispose of an Item of Equipment through sale or transfer to an Affiliated Company for fair market value as reasonably determined by Lessee to the reasonable satisfaction of Lessor and (ii) that Lessee's disposition of Items of Equipment for Lessor shall not create a fiduciary relationship between Lessor and Lessee except to the extent of Lessee's obligations hereunder. Any such disposition shall be on an "as is", "where is" basis without representation or warranty, express or implied. As to each separate Item of Equipment so disposed of, upon payment of the appropriate Casualty Value, the Lessee may, so long as no Event of Default shall have occurred and be continuing thereunder, retain all amounts arising from such disposition plus any insurance proceeds and damages received by the Lessee by reason of such Casualty Occurrence plus any requisition or condemnation awards up to the Casualty Value attributable thereto and actually paid by the Lessee as herein provided and shall remit the excess, if any, to the Lessor. In disposing of such Item of Equipment, the Lessee shall take such action as the Lessor shall reasonably request to terminate any contingent liability which the Lessor might have arising after such disposition from or connected with such Item of Equipment.

11.6. Casualty Value. The Casualty value of each Item of Equipment shall be an amount determined as of the date the Casualty Value is paid as provided in this Section 11 (and not the date of the Casualty Occurrence) equal to that percentage of the sum of \$33,000 (being the fair market value of such Item of Equipment at the date of this Lease) as set forth in the Schedule of Casualty Value attached hereto as Schedule D opposite such date of payment.

11.7. Risk of Loss. The Lessee shall bear the risk of loss and, except as provided hereinabove in this Section 11, shall not be released from its obligations hereunder in the event of any Casualty Occurrence to any Item of Equipment from and after the Acceptance Date of such Item and continuing until payment of the Casualty Value and all rental installments and other sums due on and prior to the date of payment of such Casualty Value in respect of such Item of Equipment has been made, such Item or the salvage thereof has been disposed of by the Lessee, and the title to such Item or the salvage thereof and all risk of loss and liabilities incident to ownership have been transferred to the purchaser or the salvager of such Item.

11.8 Eminent Domain. In the event that during the term of this Lease the use of any Item of Equipment is requisitioned or taken by any governmental authority under the power of eminent domain or otherwise for an indefinite period or for a stated period which does not exceed the term of this Lease, the Lessee's obligation to pay all installments of rental and other sums shall continue for the duration of such requisitioning or taking. So long as no Event of Default, or event which with lapse of time or giving of notice, or both, would constitute such an Event of Default, shall have occurred and be continuing, the Lessee shall be entitled to receive and retain for its own account all sums payable for any such period by such governmental authority as compensation for requisition or taking of possession. If at the end of the then current term of this Lease any Item of Equipment is then held by any governmental authority under the power of eminent domain or otherwise, from and after such date the Lessor shall be entitled to receive and retain all sums payable by such governmental authority as compensation for requisition or taking possession applicable to the period commencing with such termination.

SECTION 12. ANNUAL REPORTS.

12.1. Duty of Lessee to Furnish. On or before April 1, 1981 and on each April 1 thereafter, the Lessee will furnish to the Lessor, any assignee thereof pursuant to Section 16 hereof (including, without limitation, the Security Trustee) and the Trustor an accurate statement, as of the preceding December 31 (a) showing the amount, description and numbers of the Items of Equipment then leased hereunder, the amount, description and numbers of all Items of Equipment that may have suffered a Casualty Occurrence during the 12 months ending on such December 31 (or since the date of this Lease, in the case of the first such statement); and such other information regarding the condition or repair of the Equipment as the Lessor or any such assignee or Trustor may reasonably request, and (b) stating that, in the case of all Equipment repainted during the period covered by such statement, the markings required by Section 4.2 hereof shall have been preserved or replaced.

12.2. Lessor's Inspection Rights. The Lessor, any assignee thereof pursuant to Section 16 hereof (including, without limitation, the Security Trustee and each of the Note purchasers) and the Trustor each shall have the right but not the obligation, at their respective sole cost and expense, by their respective authorized representative, to inspect the Equipment and the Lessee's records with respect thereto, at such time as shall be reasonably necessary to confirm thereto the existence and proper maintenance of the Equipment during the continuance of this Lease.

SECTION 13. RETURN OF EQUIPMENT UPON EXPIRATION OF TERM.

13.1. Return Upon Expiration of Term. Upon the expiration of the term of this Lease with respect to any Item of Equipment, the

Lessee will, at its own cost and expense, deliver possession of such Item of Equipment to the Lessor upon such storage tracks of the Lessee as the Lessor may designate, and shall forthwith place such Equipment in such reasonable storage place on the Lessee's lines of railroad as the Lessor may designate or, in the absence of such designation, as the Lessee may select; provided that, in the event the Lessor shall designate storage tracks which are then unavailable either because such tracks are then being used to store equipment owned by a third party pursuant to a contractual obligation of the Lessee to provide storage therefor or because the storage of the Items of Equipment on such tracks would materially impair the ability of the Lessee to meet its obligations to perform services as a common carrier to the public, then the Lessee agrees to so store the Items of Equipment upon such other storage tracks as shall then be so available and nearest to such storage tracks designated by the Lessor; or in the absence of such designation, as the Lessee may select, and permit the Lessor to store such Item of Equipment on such tracks for a period not exceeding 60 days from the date on which at least 90% of such Items are first placed in storage pursuant to this Section and transport the same at any time within such 60-day period to any reasonable place on any railroad lines operated by the Lessee or to any interchange Lessee maintains with a connecting carrier for shipment, all as directed by the Lessor upon not less than 30 days' written notice to the Lessee. All movement and storage of each such Item by Lessee after delivery of possession by Lessee to Lessor shall be at the risk and expense of Lessor, other than risks and expenses caused by the actionable negligence of Lessee and in the event any Item of Equipment shall suffer a Casualty Occurrence due to the actionable negligence of Lessee during such period of movement and storage the Lessee shall pay the Lessor the Casualty Value thereof. During any such storage period the Lessee will permit the Lessor or any person designated by it, including the authorized representative or representatives of any prospective purchaser of any such Item, to inspect the same; provided, however, that the Lessee shall not be liable, except in the case of actionable negligence of the Lessee or of its employees or agents, for any injury to, or the death of, any person exercising, either on behalf of the Lessor or any prospective purchaser, the rights of inspection granted under this sentence.

Each Item of Equipment returned to the Lessor pursuant to this Section 13.1 shall (i) in the case of any Item not requiring Damage Repairs pursuant to Section 1.3 hereof, be in the same operating order, repair and condition as it was on the Item's Acceptance Date, ordinary wear and tear excepted, (ii) in the case of any Item requiring Damage Repairs pursuant to Section 1.3 hereof, be in the same operating order, repair and condition as it would have been had all Damage Repairs required for such Item been completed on the date such Item was received at an Interchange Point, ordinary wear and tear excepted, (iii) have attached or affixed thereto any part, addition or improvement title to which is vested in the Lessor pursuant to Section 7 or Section 8 hereof and have removed therefrom at the expense of the Lessee, any readily removable addition or improvement title to which is vested in the Lessee pursuant to

Section 8 hereof, and (iv) meet the applicable standards then in effect for such Item of Equipment under all governmental laws, regulations, requirements and rules (including, without limitation, rules of the United States Department of Transportation, the Interstate Commerce Commission and interchange rules or supplements thereto of the Association of American Railroads). At any time within 90 days after the Lessor receives written notice from the Lessee of the return of all Items of Equipment, the Lessor may retain an independent inspector, selected by the Lessor at its sole cost and expense, to inspect the Equipment and to determine whether the Equipment has been subject only to ordinary wear and tear such as could be reasonably expected for cars customarily used in bulk commodity service and meets all the applicable standards required under clause (iv) of the immediately preceding sentence. Should such inspector determine that any Item of Equipment has been subject to excessive wear and tear due to any reason, or that any Item does not meet such applicable standards, the Lessee shall, at its own cost and expense, repair, recondition, rehabilitate, or perform such other similar work necessary to put the Equipment in the condition that it would have been in had it been subject only to ordinary wear and tear and in compliance with all such applicable standards. The obligations of the Lessee pursuant to the immediately preceding sentence do not guarantee a residual value in the Equipment.

From the date of expiration of the term of this Lease until the earlier of (i) the date on which an Item of Equipment is assembled, delivered and stored as hereinabove provided or (ii) the 30th day thereafter the Lessee shall pay the Lessor for such Item an amount equal to \$15.00 per calendar day. If any such Item of Equipment is not assembled, delivered and stored as hereinabove provided within 30 days after the date of the expiration of the term of this Lease, the Lessee shall, in addition, pay the Lessor for such Item an amount equal to the greater of (i) \$15.00 per calendar day from said 30th day to the date of its assembly, delivery or storage as hereinabove provided or (ii) all rental, per diem or other similar charges for such Item received therefor until such date of assembly, delivery and storage.

13.2. Specific Performance. The assembling, delivery, storage and transporting of the Equipment as provided in Section 13.1 hereof are of the essence of this Lease, and upon application to any court of equity having jurisdiction in the premises, the Lessor shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee so to assemble, deliver, store and transport the Equipment.

SECTION 14. DEFAULT.

14.1. Events of Default. Any of the following events shall constitute an Event of Default hereunder:

(a) Default shall be made in the payment of any part of the rental or Casualty Value provided in Section 2 or 11 hereof and such default shall continue for five days;

(b) The Lessee shall make or permit any unauthorized assignment or transfer of this Lease, or of possession of the Equipment, or any portion thereof;

(c) Default shall be made in the observance or performance of any other covenants, conditions and agreements on the part of the Lessee contained herein, and such default shall continue for 20 days after written notice from the Lessor to the Lessee, specifying the default and demanding the same to be remedied;

(d) Any representation or warranty made by the Lessee herein or in any statement or certificate furnished to the Lessor, Trustor, the Security Trustee or any Note Purchaser pursuant to or in connection with this Lease is untrue in any material respect as of the date of issuance or making thereof;

(e) A petition for reorganization under the Bankruptcy Reform Act of 1978, as now constituted or as said Act may be hereafter amended, shall be filed by or against Lessee and all the obligations of the Lessee under this Lease shall not have been duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees appointed in such proceedings or otherwise given a status comparable to the obligations incurred by such trustee or trustees within 30 days after such appointment, if any, or 60 days after such petition shall have been filed, whichever shall be earlier; or

(f) Any other proceedings shall be commenced by or against Lessee for any relief under any bankruptcy or insolvency laws, or laws relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions or extensions (other than a law which does not permit any readjustment of the indebtedness payable hereunder) and all the obligations of the Lessee under this Lease shall not have been duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees or receiver or receivers appointed for the Lessee or for the property of the Lessee in connection with any such proceedings or otherwise given a status comparable to obligations incurred by such trustee or trustees or receiver or receivers, within 30 days after such appointment, if any, or 60 days after such proceedings shall have been commenced, whichever shall be earlier.

14.2. Remedies. If any Event of Default has occurred and is continuing, the Lessor or, in the event this Lease shall be assigned to an assignee pursuant to Section 16 hereof, such assignee, at its option, may:

(a) Proceed by appropriate court action or actions, either at law or in equity, to enforce performance by the Lessee of

the applicable covenants of this Lease or to recover damages for the breach thereof, including reasonable attorneys' fees; or

(b) By notice in writing to the Lessee, terminate this Lease, whereupon all right of the Lessee to the use of the Equipment shall absolutely cease and terminate as though this Lease had never been made, but the Lessee shall remain liable as hereinafter provided; and thereupon, the Lessor or such assignee, as the case may be, may by its agents enter upon the premises of the Lessee or other premises where any of the Equipment may be located and take possession of all or any of the Items of Equipment and thenceforth hold, possess and enjoy the same free from any right of the Lessee, or its successors or assigns, to use such Items for any purpose whatever, but the Lessor, or such assignee, as the case may be, shall nevertheless have a right to recover from the Lessee any and all amounts which may have accrued to the date of such termination (computing the rental for any number of days less than a full rental period by multiplying the rental for such full rental period by a fraction of which the numerator is such number of days and the denominator is the total number of days in such full rental period) and also to recover forthwith from the Lessee (i) such proceeds determined in accordance with the provisions of Article 9-501 to 9-507 of the Uniform Commercial Code and the provisions related thereto then in effect and (ii) any damages and expenses in addition thereto, including reasonable attorneys' fees, which the Lessor or such assignee, as the case may be, shall have sustained by reason of the breach of any covenant or covenants of this Lease. For purposes of this Section 14.2, the Fair Rental Value and Fair Market Value for any Item of Equipment shall be determined in the manner provided for appraisal arrangements specified in Section 18.2 hereof; provided that any sale in a commercially reasonable manner of any Item of Equipment prior to any such determination shall conclusively establish the Fair Market Value of such Item and any rental in a commercially reasonable manner of any Item of Equipment prior to any such determination shall conclusively establish the Fair Rental Value of such Item.

14.3. Cumulative Remedies. The remedies in this Lease provided in favor of the Lessor or any assignee pursuant to Section 16 hereof, as the case may be, shall not be deemed exclusive, but shall be cumulative and shall be in addition to all other remedies in its favor existing at law or in equity. The Lessee hereby waives any mandatory requirements of law, now or hereafter in effect, which might limit or modify any of the remedies herein provided, to the extent that such waiver is permitted by law. The Lessee hereby waives any and all existing or future claims of any right to assert any offset against the rent payments due hereunder, and agrees to make the rent payments regardless of any offset or claim which may be asserted by the Lessee or on its behalf in connection with the lease of the Equipment.

14.4. Failure to Exercise Rights. The failure of the Lessor or any assignee, pursuant to Section 16 hereof as the case may

be, to exercise the rights granted it hereunder upon any occurrence of any of the contingencies set forth herein shall not constitute a waiver of any such right upon the continuation or recurrence of any such contingencies or similar contingencies.

14.5. Notice of Event of Default. The Lessee also agrees to furnish to the Lessor and any assignee thereof pursuant to Section 16 hereof (including, without limitation, the Security Trustee) and the Trustor, promptly upon any responsible officer becoming aware of any condition which constituted or constitutes an Event of Default under this Lease or which, after notice or lapse of time, or both, would constitute such an Event of Default, written notice specifying such condition and the nature and status thereof and indicating the intention or expectation of the Lessee as to the disposition thereof. For the purposes of this Section 14.5 a "responsible officer" shall mean, with respect to the subject matter of any covenant, agreement or obligation of the Lessee in this Lease contained, any corporate officer of Lessee who, in the normal performance of his operational responsibilities, would have knowledge of such matter and the requirements of this Lease with respect thereto.

SECTION 15. RETURN OF EQUIPMENT UPON DEFAULT.

15.1. Lessee's Duty to Return. If the Lessor or any assignee of the Lessor pursuant to Section 16 hereof (including, without limitation, the Security Trustee) shall terminate this Lease pursuant to Section 14 hereof, the Lessee shall forthwith deliver possession of the Equipment to the Lessor. For the purpose of delivering possession of any Item of Equipment to the Lessor as above required, the Lessee shall at its own cost, expense and risk (except as hereinafter stated):

(a) Forthwith place such Equipment in such reasonable storage place on the Lessee's lines of railroad as the Lessor may designate or, in the absence of such designation, as the Lessee may select; provided that, in the event the Lessor shall designate storage tracks which are then unavailable either because such tracks are then being used to store equipment owned by a third party pursuant to a contractual obligation of the Lessee to provide storage therefor or because the storage of the Items of Equipment on such tracks would materially impair the ability of the Lessee to meet its obligations to perform services as a common carrier to the public, then the Lessee agrees to so store the Items of Equipment upon such other storage tracks as shall then be so available and nearest to such storage tracks designated by the Lessor;

(b) Permit the Lessor to store such Equipment in such reasonable storage place on the Lessee's lines of railroad or charge for insurance, rent or storage until such Equipment has been sold, leased or otherwise disposed of by the Lessor; and

(c) Transport the Equipment to any place on the railroad lines operated by the Lessee or to any connecting carrier for shipment, all as the Lessor may direct in writing.

Each Item of Equipment returned to the Lessor pursuant to this Section 15 shall (i) in the case of any Item not requiring Damage Repairs pursuant to Section 1.3 hereof, be in the same operating order, repair and condition as it was on the Item's Acceptance Date, ordinary wear and tear excepted, (ii) in the case of any Item requiring Damage Repairs pursuant to Section 1.3 hereof, be in the same operating order, repair and condition as it would have been had all Damage Repairs required for such Item been completed on the date such Item was received at an Interchange Point, ordinary wear and tear excepted, (iii) have attached or affixed thereto any part, addition or improvement title to which is vested in the Lessor pursuant to Section 7 or Section 8 hereof and have removed therefrom, at the expense of the Lessee, any readily removable addition or improvement title to which is vested in the Lessee pursuant to Section 8 hereof, and (iv) meet the applicable standards then in effect for such Item of Equipment under all governmental laws, regulations, requirements and rules (including, without limitation, rules of the United States Department of Transportation, the Interstate Commerce Commission and interchange rules or supplements thereto of the Association of American Railroads). At any time within 90 days after the Lessor receives written notice from the Lessee of the return of all Items of Equipment, the Lessor may retain an independent inspector, selected by the Lessor, to inspect the Equipment and to determine whether the Equipment has been subject only to ordinary wear and tear such as could be reasonably expected for cars customarily used in bulk commodity service and meets all the applicable standards required under clause (iv) of the immediately preceding sentence. Should such inspector determine that any Item of Equipment has been subject to excessive wear and tear due to any reason, or that any Item does not meet such applicable standards, the Lessee shall, at its own cost and expense, repair, recondition, rehabilitate, or perform such other similar work necessary to put the Equipment in the condition that it would have been in had it been subject only to ordinary wear and tear and in compliance with all such applicable standards. The obligations of the Lessee pursuant to the immediately preceding sentence do not guarantee a residual value in the Equipment.

From the date of termination of this Lease pursuant to Section 14 hereof until the earlier of (i) the date on which an Item of Equipment is assembled, delivered and stored as hereinabove provided or (ii) the 30th day thereafter, the Lessee shall pay the Lessor for such Item an amount equal to \$10.10 per day for each calendar day on or prior to March 14, 2001 and \$15.00 per day for each calendar day thereafter. If any such Item of Equipment is not assembled, delivered and stored as hereinabove provided within 30 days after the termination of this Lease pursuant to Section 14 hereof, the Lessee shall, in addition, pay the Lessor for such Item an amount equal to the greater of (i) \$10.10 per day for each

calendar day on or prior to March 14, 2001 and \$15.00 per day for each calendar day thereafter from said 30th day to the date of its assembly, delivery or storage as hereinabove provided or (ii) all rental, per diem or other similar charges for such Item received therefor until such date of assembly, delivery and storage.

15.2. Specific Performance. The assembling, delivery, storage and transporting of the Equipment as hereinbefore provided are of the essence of this Lease, and upon application to any court of equity having jurisdiction in the premises, the Lessor shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee so to assemble, deliver, store and transport the Equipment.

15.3. Lessor Appointed Lessee's Agent. Without in any way limiting the obligation of the Lessee under the foregoing provisions of this Section 15, the Lessee hereby irrevocably appoints the Lessor as the agent and attorney of the Lessee, with full power and authority, at any time while the Lessee is obligated to deliver possession of any Items of Equipment to the Lessor, to demand and take possession of such Items in the name and on behalf of the Lessee from whomsoever shall be at the time in possession of such Items.

SECTION 16. ASSIGNMENTS BY LESSOR.

This Lease and all rent and all other sums due or to become due hereunder may be assigned in whole or in part by the Lessor without the consent of the Lessee, but the Lessee shall be under no obligation to any assignee of the Lessor, except upon written notice of such assignment from the Lessor. In the event of an assignment in part by Lessor to two or more assignees, Lessor's written notices of such assignments shall designate which of the assignees is entitled to exercise the Lessor's rights (excluding the right to receive rent hereunder (the "Primary Assignee"). Upon notice to the Lessee of any such assignment, the rent and other sums payable by the Lessee which are the subject matter of the assignment shall, be paid to or upon the written order of such assignee. Without limiting the foregoing, the Lessee further acknowledges and agrees that (i) the rights of any such assignee in and to the sums payable by the Lessee under any provisions of this Lease shall not be subject to any abatement whatsoever and shall not be subject to any defense, setoff, counterclaim or recoupment whatsoever (including the failure of or defect in the Lessor's title) whether by any interruption from whatsoever cause in the use, operation or possession of the Equipment or any part thereof, or any damage to or loss or destruction of the equipment or any part thereof, or by reason of any other indebtedness or liability, howsoever and whenever arising, of the Lessor to the Lessee or to any other person, firm or corporation or to any governmental authority or for any cause whatsoever, it being the intent hereof that, except in the event of a wrongful act on the part of such assignee, the Lessee shall be unconditionally and absolutely obligated to pay such assignee all of the rents and other sums which are the subject matter of the assignment, (ii) the Primary Assignee

shall, if an Event of Default, or any event which with the lapse of time or the giving of notice, or both, would constitute such an Event of Default, shall have occurred and be continuing, have the sole right to exercise all rights, privileges and remedies (either in his or its own name or in the name of the Lessor for the use and benefit of said assignee) which by the terms of this Lease are permitted or provided to be exercised by the Lessor (except those rights, privileges and remedies relating to amounts payable to the Lessor pursuant to Sections 6, 10.2 and 21.2 hereof which shall remain enforceable by the Lessor), but if no Event of Default or event which with the lapse of time or giving of notice, or both, would constitute an Event of Default, shall have occurred and be continuing, the Primary Assignee and the Lessor may each exercise their respective rights, privileges and remedies stated in this Lease to be provided for their respective benefits, and (iii) all obligations of the Lessor to the Lessee under this Lease shall be and remain enforceable by the Lessee against, and only against, the Lessor.

SECTION 17. ASSIGNMENTS BY LESSEE; USE AND POSSESSION

17.1. Lessee's Rights to the Equipment. So long as no Event of Default, or any event which with the lapse of time or the giving of notice, or both, would constitute such an Event of Default, shall have occurred and be continuing, the Lessee shall be entitled to the possession, use and quiet enjoyment of the Equipment in accordance with the terms of this Lease. Except as set forth in Section 17.2 hereof Lessee shall not, without the prior written consent of the Lessor (or, in the event this Lease has been assigned to an assignee pursuant to Section 16 hereof, such assignee) assign, transfer or encumber its leasehold interest under this Lease in any of the Equipment. The Lessee shall not, without the prior written consent of the Lessor, (or, in the event this Lease has been assigned to an assignee pursuant to Section 16 hereof, such assignee) part with the possession or control of, or suffer or allow to pass out of its possession or control, any of the Equipment, except to the extent permitted by Section 17.2 hereof.

17.2. Use and Possession on Lines Other Than Lessee's Own; Sublease. So long as the Lessee shall not be in default under this Lease, the Lessee shall (a) be entitled to the possession of the Equipment and to the use thereof (i) upon the lines of railroad owned or operated by it (either alone or jointly), (ii) by any corporation, a majority of whose voting stock (i.e., stock having ordinary voting power for the election of a majority of its Board of Directors) is owned directly or indirectly by the Lessee or Lessee's parent or (iii) by Lessee's parent (the foregoing corporations enumerated in clauses (i)-(iii) being hereinbefore and hereinafter referred to individually as an "Affiliated Company" and collectively as "Affiliated Companies"), or upon lines of railroad over which the Lessee or such Affiliated Company has trackage or other operating rights or over which equipment of the Lessee is regularly operated pursuant to contract and also to permit the use of any Item of Equipment upon connecting and other carriers in the usual interchange

of traffic or pursuant to run-through agreements and (b) be entitled to sublease any or all of the Items of Equipment to an Affiliated Company without the consent of Lessor, any assignee of Lessor, the Security Trustee or Trustor and authorize such Affiliated Company to change the numbers and markings of such Items so subleased in accordance with Section 4 hereof; provided, however, that Lessee shall give Lessor written notice of any such sublease within 14 days of entering into such sublease together with a certificate that all filings or recordings necessary to protect the interest of the Lessor and any assignee of the Lessee pursuant to Section 16 hereof have been made. Notwithstanding the foregoing, the Lessee shall at no time throughout the term of this Lease assign or permit the assignment of any Item of Equipment to service (including, without limitation, the regular operation or maintenance thereof) outside the continental United States. The Lessee further agrees that, anything in this Section 17.2 to the contrary notwithstanding, the use of the Equipment outside the continental United States shall be de minimus. No assignment or sublease entered into by the Lessee hereunder shall relieve the Lessee of its liabilities or obligations hereunder which shall be and remain those of a principal and not a surety.

17.3 Merger, Consolidation or Acquisition of Lessee.

Nothing in this Section 17 shall be deemed to restrict the right of the Lessee to assign or transfer its leasehold interest under this Lease in the Equipment or possession of the Equipment to (i) any corporation into or with which the Lessee shall have become merged or consolidated or which shall have acquired or leased all or substantially all of the lines of railroad of the Lessee, provided that such assignees, successors or transferees shall have duly assumed the obligations of the Lessee hereunder and that they will not, upon the effectiveness of such merger or consolidation or acquisition of properties and the assumption of such obligations, be in default under any provisions of this Lease and that such merger or consolidation or acquisition of properties shall not alter in any way the Lessee's obligations to the Lessor hereunder which shall be and remain those of a principal and not a surety, or (ii) any railroad corporation now or hereafter organized under the laws of the United States or any state thereof which, at the time such assignment or transfer thereto shall become effective (A) qualifies as a Class I railroad or a Class III railroad with annual operating revenues of at least \$50,000,000 under the rules and regulations of the Interstate Commerce Commission, and (B) has outstanding at such time equipment obligations rated "AAA" (or the equivalent thereof) or better by Moody's Investors Service or Standard & Poor's Corporation or a successor thereto, which rating shall have been provided thereby during the year preceding such assignment or transfer either in connection with a sale of equipment obligations or by a private letter; provided that the right of assignment and transfer set forth in this clause (ii) will not result in a default by the assuming or transferee railroad under any instrument or agreement to which it is a party.

SECTION 18. DUTY OF FIRST OFFER AND RENEWAL RIGHT.

18.1. Duty of First Offer.

(a) Provided no Event of Default or event which with notice and/or passage of time would constitute an Event of Default shall have occurred and be continuing hereunder, if Lessor shall decide to sell any Item of Equipment upon the expiration of the term of this Lease or any extension thereof, it shall furnish Lessee with written notice thereof within the period commencing 180 days prior to such expiration and ending 180 days following such expiration. Following receipt of such notice, the Lessee shall have the right to purchase all, but not less than all, of the Items of Equipment then subject to this Lease, for an amount equal to its Fair Market Value, as defined in Section 18.2 hereof. If Lessee intends to exercise its right pursuant to this Section, it shall provide Lessor with written notice of same within 60 days after receipt of Lessor's notice of its decision to sell the Equipment. Following such notice, Lessor and Lessee agree to negotiate in good faith the Fair Market Value of the Equipment. If within 60 days after Lessor's receipt of Lessee's notice of its election to exercise its right to purchase, Lessor and Lessee are unable to agree upon the Fair Market Value of the Equipment, then such value shall be determined in accordance with the procedure for appraisal set forth in Section 18.2 hereof. During a period of 30 days after the date on which Fair Market Value is agreed upon or determined through the procedure for appraisal but not earlier than the expiration of the term of this Lease, the Lessee may purchase the Equipment at its Fair Market Value. If the Lessee does not furnish Lessor with notice of its intention to exercise its rights pursuant to this Section during the 30 day period provided above or if the Lessee does not purchase the Equipment during such 30 day period following determination of Fair Market Value, the Lessor shall be under no obligation to sell any Item of Equipment to the Lessee under this Section. In the event Lessee fails to purchase the Equipment following determination of Fair Market Value, Lessee shall pay any and all of Lessor's reasonable out-of-pocket expenses incurred in connection with such notice by Lessee of its intention to purchase the Equipment.

(b) In the event the Lessee purchases the Equipment, then, upon payment of the purchase price, the Lessor shall, upon request of the Lessee, execute and deliver to the Lessee, or to the Lessee's assignee(s) or nominee(s), a bill or bills of sale (without representations or warranties except that each Item of Equipment is free and clear of all liens by or in favor of any Person claiming by, through or under the Lessor or any assignee of the Lessor (including without limitation, the Security Trustee) and the Trustor, other than liens resulting from claims which the Lessee has assumed or agreed to pay, but in form and substance satisfactory to counsel for the acquiring Person) for the Equipment, and such other documents as may be required to release the Equipment from the terms and scope of this Lease and to transfer title thereto to the Lessee or such assignee(s) or nominee(s) in such form as may be reasonably be requested by the Lessee or by such assignee(s) or nominee(s), all at the Lessee's expense.

(c) Upon, but not before, determination of the Fair Market Value of the equipment, the foregoing rights to purchase the Equipment may be assigned in whole or in part by the Lessee to any Affiliated Company of the Lessee or to any other corporation that may be a party to a tax-free exchange agreement with the Lessee or an Affiliated Company.

18.2. Definitions, Appraisal. The Fair Market Value of the Items of Equipment shall be determined on the basis of, and shall be equal in amount to, the value which would obtain in an arms's-length transaction between an informed and willing buyer (other than a buyer currently in possession) and an informed and willing seller under no compulsion to sell. If on or before 60 days after Lessor's receipt of Lessee's notice of its election to purchase pursuant to Section 18.1 above the Lessor and the Lessee are unable to agree upon a determination of the Fair Market Value of such Items of Equipment, such value shall be determined in accordance with the foregoing definition by a qualified independent Appraiser. The term "Appraiser" shall mean any independent appraiser mutually agreed upon by the Lessor and the Lessee or if no such mutual agreement is reached within 15 days after the beginning of such appraisal period, two independent appraisers, one chosen by the Lessor and one chosen by the Lessee, or, if such appraisers cannot agree on the amount of such value within 60 days thereafter, an independent appraiser to be chosen by the American Arbitration Association promptly thereafter. The Appraiser shall be instructed to make such determination within a period of 30 days following appointment, and shall promptly communicate such determination in writing to the Lessor and the Lessee. The determination so made shall be conclusively binding upon both the Lessor and the Lessee, subject to Lessee's rights under Sections 18.1 hereof. The expenses and fees of the Appraiser shall be borne by the Lessee.

18.3. Delivery of Equipment. Unless Lessee elects to purchase the Items of Equipment then leased hereunder, all of such Items of Equipment shall be returned to the Lessor at the end of the original term in accordance with Section 13 hereof.

SECTION 19. INTEREST ON OVERDUE RENTALS.

Anything to the contrary herein contained notwithstanding, any nonpayment of rent due hereunder, shall result in the additional obligation on the part of the Lessee to pay also an amount equal to 11.25% per annum (or the lawful rate, whichever is less) on the overdue rentals for the period of time during which they are overdue.

SECTION 20. LIMITATIONS OF LIABILITY.

It is expressly understood and agreed by and between the Lessor and the Lessee and their respective successors and assigns

that this lease is executed by The Connecticut Bank and Trust Company, not individually or personally but solely as Trustee under the Trust Agreement in the exercise of the power and authority conferred and vested in it as such Trustee, that each and all of the representations, warranties, undertakings and agreements herein made on the part of the Lessor are each and every one of them made and intended not as personal representations, warranties, undertakings and agreements by The Connecticut Bank and Trust Company or the Trustor, or for the purpose or with the intention of binding the Connecticut Bank and Trust Company or the Trustor personally, but are made and intended for the purpose of binding only the Trust Estate as defined in the Trust Agreement, that this Lease is executed and delivered by The Connecticut Bank and Trust Company solely in the exercise of the powers expressly conferred upon The Connecticut Bank and Trust Company as Trustee under the Trust Agreement, that actions taken by the Lessor pursuant to its obligations hereunder may, in certain instances, be taken by the Lessor only upon specific authority of the Trustor, that nothing herein contained shall be construed as creating any liability on The Connecticut Bank and Trust Company or the Trustor, individually or personally, or any incorporation or any past, present or future subscriber to the capital stock of, or stockholder, officer or director of, The Connecticut Bank and Trust Company or the Trustor, to perform any covenant either express or implied contained herein, all such liability, if any, being expressly waived by the Lessee and by each and every person now or hereafter claiming by, through or under the Lessee, and that so far as The Connecticut Bank and Trust Company or the Trustor, individually or personally is concerned, the Lessee and any person claiming by, through or under the Lessee shall look solely to the Trust Estate as defined in the Trust Agreement for the performance of any obligation under this Lease; provided that nothing in this Section 20 shall be construed to limit in scope or substance those representations and warranties, if any, of The Connecticut Bank and Trust Company made expressly in its individual capacity set forth in the Participation Agreement and the Security Agreement. The term "Lessor" as used in this Lease shall include any trustee succeeding The Connecticut Bank and Trust Company as Trustee under the Trust Agreement or the Trustor if the trust created thereby is revoked. Any obligation of the Lessor hereunder may be performed by the Trustor, and any such performance shall not be construed as revocation of the trust created by the Trust Agreement. Nothing contained in this Lease shall restrict the operation of the provisions of the Trust Agreement with respect to its revocation or the resignation or removal of the Trustee thereunder.

SECTION 21. MISCELLANEOUS.

21.1. Notices. Any notice required or permitted to be given by either party hereto to the other shall be deemed to have been given when deposited in the United States certified mails, first class, postage prepaid, addressed as follows:

If to the Lessor: The Connecticut Bank and Trust Company
One Constitution Plaza
Hartford, Connecticut 06115
Attention: Corporate Trust Department

If to the Trustor: Hillman Manufacturing Company
Post Office Box 510
Brownsville, Pennsylvania 15417
Attention: Secretary

If to the Lessee: Bessemer and Lake Erie Railroad Company
600 Grant Street
P.O. Box 536
Pittsburgh, Pennsylvania 15230
Attention: Comptroller

If to the Security
Trustee: First Security Bank of Utah, N.A.
79 South Main Street
Salt Lake City, Utah 84111
Attention: Trust Division,
Corporate Trust Department

or addressed to any such party at such other address as such party shall hereafter furnish to such other parties in writing.

21.2. Right of Lessor to Perform. If the Lessee shall fail to comply with any of its covenants herein contained, either the Lessor or, in the case of an assignment by the Lessor pursuant to Section 16 hereof, the assignee thereunder may, but shall not be obligated to, make advances to perform the same and to take all such action as may be necessary to obtain such performance. Any payment so made by any such party and all cost and expense (including, without limitation, reasonable attorneys' fees and expenses) incurred in connection therewith shall be payable by the Lessee to the party making the same upon demand as additional rent hereunder, with interest at the rate of 11.25% per annum, or the lawful rate, whichever is less.

21.3. Execution in Counterparts. This Lease, and any lease supplemental hereto, may be executed in several counterparts, each of which so executed shall be deemed to be an original and in each case such counterparts shall constitute but one and the same instrument.

21.4. Law Governing. This Lease shall be construed in accordance with the laws of the State of Illinois; provided, however, that the parties shall be entitled to all rights conferred by any applicable Federal statute, rule or regulation.

21.5. Headings and Table of Contents. All Section headings and the Table of Contents are inserted for convenience only and shall not affect any construction or interpretation of this Lease.

21.6. Severability. Any provision of this Lease which is prohibited or unenforceable in any jurisdiction shall be as to such


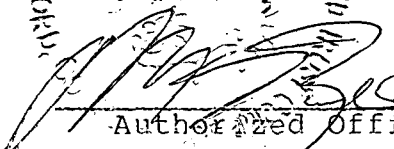
jurisdiction ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provisions in any other jurisdiction.

21.7. Survival. All warranties, representations and covenants made by the Lessee herein or in any certificate or other instrument delivered by the Lessee or on behalf of the Lessee under this Lease shall be considered to have been relied upon by the Lessor, any assignee thereof pursuant to Section 16 hereof (including, without limitation, the Security Trustee) and the Trustor and shall survive the consummation of the transactions contemplated hereby regardless of any investigation made by any such party or on behalf of any such party. All statements in any such certificate or other instrument shall constitute warranties and representations of the Lessee.

21.8. No Broker, Agent, Etc. Neither this Lease nor any of the transactions contemplated hereby has been induced or procured through any person acting as a broker, finder, investment banker, financial advisor or in any similar capacity on behalf of Lessor or Lessee. Lessor and Lessee shall each bear their own respective legal, accounting, inspection, etc. costs incurred in connection with this Lease.

21.9 Definition. As used herein the term "Person" shall include any individual, joint tenancy, tenancy in common, partnership, joint stock company, trustee, receiver or corporation or any combination thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed by their respective officers thereunder duly authorized and the corporate seals to be hereto affixed as of the day and year first above written.


Attest:


Authorized Officer
[CORPORATE SEAL]

THE CONNECTICUT BANK AND TRUST
COMPANY, not individually but
solely as Trustee

By 

Authorized Officer

Attest:

BESSEMER AND LAKE ERIE RAILROAD COMPANY



Assistant Secretary

By 

Vice President-Finance

[CORPORATE SEAL]

STATE OF CONNECTICUT)
) SS
COUNTY OF HARTFORD)

On this 14th day of April, 1980, before me personally appeared DONALD E. SMITH, to me personally known, who, being by me duly sworn, says that he is an authorized officer of THE CONNECTICUT BANK AND TRUST COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

NOTARIAL SEAL

My commission expires:

Sherree M. Daniels

Notary Public

SHEREE M. DANIELS

NOTARY PUBLIC

MY COMMISSION EXPIRES MARCH 31, 1985

COMMONWEALTH OF PENNSYLVANIA)
) SS
COUNTY OF ALLEGHENY)

On this 30th day of May, 1980, before me personally appeared V. W. Kraetsch, to me personally known, who, being by me duly sworn, says that he is an authorized officer of BESSEMER AND LAKE ERIE RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Louise E. Branch

Notary Public

NOTARIAL SEAL

My commission expires:

October 30, 1982

LOUISEE E. BRANCH, Notary Public
Pittsburgh, Allegheny Co., Pa.
My Commission Expires
October 30, 1982

DESCRIPTION OF ITEMS OF EQUIPMENT

Description of Mark and Number of Items of Equipment:	500 100-ton Open-Top Hopper Cars Marked and Numbered B&LE 50300 to B&LE 50799, both inclusive
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Modifications to 455 Hillman Cars

Material:

	<u>Per Car</u>
Hydraulic Snubbers (4/Car)	\$410
Inner-Inner Coil Truck Springs (24/Car)	72
Miscellaneous Material	<u>20</u>
Total	\$502

Salvage:

Outer Coil Truck Springs (4/Car)	\$(12)
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Labor:

Cost Center 761-02	4.8 MH
Cost Center 762-02	.2 MH
Cost Center 764-02	<u>2.0 MH</u>
Total	7.0 MH

<u>B&LE No.</u>	<u>URDX No.</u>	<u>Date Modified</u>	<u>B&LE No.</u>	<u>URDX No.</u>	<u>Date Modified</u>
50300	1162	7/22/80	50353	1145	7/22/80
50301	1186	7/23/80	50354	1317	7/30/80
50302	1014	7/15/80	50355	1199	7/25/80
50304	1349	7/31/80	50356	1061	7/18/80
50305	1304	7/29/80	50357	1321	7/30/80
50306	1001	8/1/80	50360	1351	7/31/80
50307	1379	8/1/80	50361	1066	7/18/80
50308	1391	8/1/80	50362	1025	7/15/80
50309	1179	7/23/80	50363	1087	7/18/80
50310	1135	7/22/80	50364	1302	7/29/80
50311	1305	7/29/80	50366	1375	7/31/80
50312	1400	8/1/80	50367	1137	7/22/80
50313	1059	7/18/80	50368	1050	7/17/80
50314	1101	7/22/80	50369	1165	7/22/80
50315	1215	7/25/80	50370	1118	7/22/80
50316	1252	7/25/80	50371	1065	7/18/80
50317	1189	7/23/80	50372	1406	8/4/80
50318	1058	7/18/80	50374	1238	7/25/80
50319	1090	7/18/80	50375	1411	8/4/80
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50321	1076	7/18/80	50378	1274	7/28/80
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50324	1153	7/22/80	50380	1229	7/25/80
50325	1167	7/23/80	50381	1360	7/31/80
50326	1337	7/30/80	50382	1316	7/29/80
50327	1240	7/25/80	50383	1324	7/30/80
50328	1700	1/29/81	50384	1152	7/22/80
50330	1016	7/15/80	50386	1181	7/23/80
50331	1329	7/30/80	50387	1331	7/30/80
50332	1312	7/29/80	50388	1340	7/30/80
50333	1339	7/30/80	50389	1176	7/23/80
50334	1308	7/29/80	50390	1077	7/18/80
50335	1389	8/1/80	50391	1026	7/15/80
50336	1053	7/17/80	50392	1367	7/31/80
50337	1073	7/18/80	50393	1012	7/15/80
50338	1084	7/18/80	50394	1721	1/29/81
50339	1157	7/22/80	50395	1284	7/28/80
50340	1117	7/22/80	50396	1079	7/18/80
50341	1428	8/4/80	50397	1371	7/31/80
50342	1144	7/22/80	50398	1224	7/25/80
50343	1197	7/25/80	50399	1381	8/1/80
50344	1173	7/23/80	50400	1416	8/4/80
50345	1113	7/18/80	50401	1336	7/30/80
50346	1330	7/30/80	50402	1441	8/7/80
50347	1078	7/18/80	50403	1275	7/28/80
50348	1228	7/25/80	50404	1140	7/22/80
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50351	1269	7/28/80	50407	1015	7/15/80
50352	1230	7/25/80	50409	1438	8/5/80

<u>B&LE No.</u>	<u>URDX No.</u>	<u>Date Modified</u>	<u>B&LE No.</u>	<u>URDX No.</u>	<u>Date Modified</u>
50410	1211	7/25/80	50463	1191	7/23/80
50411	1292	7/29/80	50464	1417	8/5/80
50412	1109	7/18/80	50465	1166	7/22/80
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50416	1322	7/30/80	50469	1384	8/1/80
50417	1325	7/30/80	50470	1081	7/18/80
50418	1278	7/28/80	50471	1223	7/25/80
50419	1396	8/4/80	50472	1326	7/30/80
50420	1056	7/18/80	50473	1399	8/1/80
50421	1041	7/18/80	50474	1175	7/23/80
50423	1323	7/30/80	50475	1247	7/25/80
50424	1178	7/23/80	50477	1103	7/22/80
50425	1290	7/29/80	50478	1205	7/25/80
50426	1192	7/23/80	50479	1364	7/31/80
50427	1402	8/4/80	50480	1119	7/22/80
50428	1204	7/25/80	50481	1132	7/22/80
50429	1236	7/25/80	50482	1169	7/23/80
50430	1251	7/25/80	50483	1444	8/7/80
50431	1341	7/30/80	50484	1098	7/18/80
50432	1291	7/29/80	50485	1051	7/17/80
50433	1418	8/5/80	50486	1032	7/17/80
50434	1060	7/18/80	50487	1086	7/18/80
50435	1127	7/22/80	50488	1108	7/18/80
50436	1170	7/23/80	50489	1401	8/1/80
50437	1245	7/25/80	50490	1146	7/22/80
50438	1148	7/22/80	50492	1008	8/4/80
50439	1353	7/31/80	50494	1404	8/4/80
50440	1436	8/5/80	50495	1227	7/25/80
50441	1005	8/1/80	50496	1150	7/22/80
50443	1143	7/22/80	50497	1034	7/17/80
50444	1382	8/1/80	50499	1040	7/18/80
50445	1116	7/22/80	50500	1307	7/29/80
50446	1064	7/18/80	50501	1085	7/18/80
50447	1244	7/25/80	50504	1257	7/28/80
50448	1088	7/18/80	50505	1347	7/31/80
50449	1196	7/23/80	50506	1180	7/23/80
50450	1295	7/29/80	50507	1010	8/1/80
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50454	1277	7/28/80	50510	1366	7/31/80
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50457	1319	7/30/80	50514	1276	7/28/80
50458	1129	7/22/80	50515	1350	7/31/80
50459	1149	7/22/80	50516	1194	7/23/80
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B&LE No. URDX No. Date Modified

50520	1267	7/28/80
50521	1114	7/22/80
50522	1105	7/22/80
50524	1134	7/22/80
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50528	1437	8/5/80
50529	1423	8/4/80
50530	1296	7/29/80
50532	1028	7/17/80
50533	1272	7/28/80
50534	1018	7/17/80
50535	1082	7/18/80
50537	1057	7/18/80
50539	1273	7/28/80
50540	1262	7/28/80
50541	1234	7/25/80
50542	1042	7/18/80
50543	1193	7/23/80
50544	1130	7/22/80
50545	1100	7/22/80
50546	1309	7/29/80
50547	1207	7/25/80
50548	1294	7/29/80
50549	1033	7/17/80
50551	1333	7/30/80
50552	1369	7/31/80
50553	1243	7/25/80
50554	1334	7/30/80
50555	1405	8/4/80
50556	1195	7/23/80
50557	1395	8/4/80
50558	1431	8/5/80
50559	1603	1/16/81
50560	1099	7/22/80
50561	1221	7/25/80
50562	1161	7/22/80
50563	1242	7/25/80
50564	1083	7/18/80
50565	1043	7/18/80
50566	1111	7/18/80
50568	1067	7/18/80
50569	1190	7/23/80
50570	1420	8/5/80
50571	1069	7/18/80
50572	1147	7/22/80
50573	1318	7/30/80
50574	1241	7/25/80
50575	1250	7/25/80

B&LE No. URDX No. Date Modified

50577	1286	7/28/80
50578	1409	8/4/80
50579	1383	8/1/80
50580	1047	7/18/80
50581	1354	7/31/80
50582	1344	7/30/80
50583	1185	7/23/80
50584	1445	8/7/80
50585	1374	7/31/80
50586	1378	8/1/80
50587	1279	7/28/80
50588	1160	7/22/80
50589	1095	7/18/80
50590	1413	8/4/80
50591	1208	7/25/80
50592	1163	7/22/80
50593	1216	7/25/80
50594	1214	7/25/80
50595	1289	7/29/80
50596	1131	7/22/80
50597	1283	7/28/80
50598	1356	7/31/80
50599	1233	7/25/80
50600	1263	7/28/80
50601	1380	8/1/80
50602	1104	7/22/80
50603	1415	8/4/80
50604	1052	7/17/80
50605	1110	7/18/80
50606	1187	7/23/80
50607	1335	7/30/80
50608	1424	8/4/80
50609	1003	8/1/80
50610	1158	7/22/80
50611	1231	7/25/80
50613	1433	8/5/80
50614	1044	7/18/80
50615	1209	7/25/80
50616	1299	7/29/80
50617	1259	7/28/80
50618	1449	8/7/80
50619	1388	8/1/80
50620	1125	7/22/80
50621	1430	8/4/80
50622	1030	7/17/80
50623	1425	8/4/80
50624	1048	7/17/80
50625	1410	8/4/80
50626	1246	7/25/80
50627	1300	7/29/80

<u>B&LE No.</u>	<u>URDX No.</u>	<u>Date Modified</u>	<u>B&LE No.</u>	<u>URDX No.</u>	<u>Date Modified</u>
50628	1112	7/18/80	50686	1372	7/31/80
50629	1385	8/1/80	50687	1006	8/1/80
50630	1285	7/28/80	50688	1013	7/15/80
50631	1226	7/25/80	50689	1293	7/29/80
50632	1128	7/22/80	50690	1054	7/17/80
50633	1361	7/31/80	50691	1121	7/22/80
50634	1089	7/18/80	50692	1142	7/22/80
50635	1281	7/28/80	50693	1174	7/23/80
50636	1094	7/18/80	50694	1265	7/28/80
50638	1021	7/15/80	50695	1068	7/18/80
50639	1320	7/30/80	50696	1408	8/4/80
50641	1159	7/22/80	50697	1248	7/25/80
50643	1368	7/31/80	50698	1343	7/30/80
50644	1328	7/30/80	50699	1435	8/5/80
50645	1359	7/31/80	50700	1007	8/4/80
50646	1357	7/31/80	50701	1301	7/29/80
50647	1172	7/23/80	50702	1237	7/25/80
50649	1394	8/1/80	50703	1407	8/4/80
50651	1203	7/25/80	50704	1232	7/25/80
50652	1443	8/7/80	50705	1422	8/4/80
50653	1011	8/5/80	50706	1403	8/4/80
50654	1271	7/28/80	50707	1107	7/18/80
50655	1573	1/22/81	50708	1376	7/31/80
50656	1184	7/23/80	50709	1156	7/22/80
50657	1002	8/1/80	50710	1392	8/1/80
50658	1009	8/1/80	50711	1177	7/23/80
50659	1345	7/30/80	50712	1202	7/25/80
50660	1055	7/17/80	50713	1097	7/18/80
50661	1434	8/5/80	50714	1373	7/31/80
50662	1091	7/18/80	50715	1342	7/30/80
50663	1029	7/17/80	50716	1397	8/4/80
50664	1249	7/25/80	50717	1023	7/15/80
50665	1049	7/17/80	50718	1709	1/29/81
50666	1126	7/22/80	50719	1447	8/7/80
50667	1218	7/25/80	50720	1123	7/22/80
50668	1004	8/1/80	50721	1258	7/28/80
50669	1266	7/28/80	50723	1019	7/17/80
50670	1201	7/25/80	50724	1038	7/17/80
50671	1254	7/25/80	50725	1225	7/25/80
50673	1092	7/18/80	50726	1022	7/15/80
50674	1120	7/22/80	50728	1080	7/18/80
50675	1332	7/30/80	50729	1046	7/18/80
50676	1393	8/1/80	50730	1219	7/25/80
50677	1141	7/22/80	50731	1115	7/22/80
50678	1327	7/30/80	50732	1106	7/18/80
50679	1386	8/1/80	50733	1171	7/23/80
50680	1346	7/30/80	50734	1133	7/22/80
50681	1070	7/18/80	50735	1136	7/22/80
50684	1168	7/23/80	50736	1255	7/25/80
50685	1365	7/31/80	50737	1268	7/28/80

<u>B&LE No.</u>	<u>URDX No.</u>	<u>Date Modified</u>	<u>B&LE No.</u>	<u>URDX No.</u>	<u>Date Modified</u>
50738	1017	7/15/80	50795	1062	7/18/80
50739	1063	7/18/80	50796	1124	7/22/80
50740	1348	7/31/80	50797	1155	7/22/80
50742	1072	7/18/80	50798	1198	7/25/80
50743	1020	7/17/80	50799	1039	7/18/80
50744	1448	8/7/80			
50745	1390	8/1/80			
50747	1093	7/18/80			
50748	1429	8/4/80			
50749	1139	7/22/80			
50750	1303	7/29/80			
50751	1122	7/22/80			
50753	1138	7/22/80			
50754	1253	7/25/80			
50755	1151	7/22/80			
50756	1239	7/25/80			
50757	1282	7/28/80			
50758	1200	7/25/80			
50759	1427	8/4/80			
50760	1432	8/5/80			
50761	1446	8/7/80			
50764	1315	7/29/80			
50765	1031	7/17/80			
50766	1154	7/22/80			
50767	1297	7/29/80			
50768	1355	7/31/80			
50769	1421	8/5/80			
50770	1313	7/29/80			
50771	1352	7/31/80			
50772	1075	7/18/80			
50773	1164	7/22/80			
50774	1414	8/4/80			
50776	1260	7/28/80			
50777	1363	7/31/80			
50778	1298	7/29/80			
50779	1419	8/5/80			
50780	1377	8/1/80			
50781	1102	7/22/80			
50782	1442	8/7/80			
50783	1370	7/31/80			
50784	1280	7/28/80			
50785	1206	7/25/80			
50786	1270	7/28/80			
50787	1412	8/4/80			
50788	1036	7/17/80			
50790	1096	7/18/80			
50791	1439	8/7/80			
50792	1311	7/29/80			
50793	1288	7/29/80			
50794	1222	7/25/80			

INTERCHANGE POINTS

The Items should be routed to any Elgin, Joliet and Eastern Railway Company (EJ&E) interchange point except the following:

1. The EJ&E interchange with the Belt Railway of Chicago at South Chicago; South Chicago, 98th Street.
2. The EJ&E interchange with Chicago Shortline at South Chicago and South Chicago 98th Street (South Deering).
3. The EJ&E interchange with Chicago, Rock Island and Pacific at South Chicago; South Chicago (via B.R. of C.); South Chicago, 98th Street (via B.R. of C.); South Chicago, 98th Street (Irondale) (via C., W.P.&S.); South Chicago, 98th Street (South Chicago).

INSPECTION REPORT

Date _____

Place _____

The undersigned have personally inspected (initial) _____
(kind) _____ Car, No. _____ and find it to be in
the following condition:

END

REPAIRS REQUIRED

NATURE OF DEFECTS

SCHEDULE OF CASUALTY VALUES

The Casualty Value for an Item of Equipment payable on the Term Lease Commencement Date or any Fixed Rental payment date thereafter shall mean an amount equal to the percent of \$33,000 set forth opposite such date in the following schedule (as the same may be increased pursuant to Annex 1 to this Schedule D):

TABLE I

<u>Term Lease Commencement Date or Number of Fixed Rental Payment Date on which Casualty Value is Paid</u>	<u>Percentage of Purchase Price Payable as Casualty Value</u>
Term Lease Commencement Date	93.5853
1	93.5760
2	93.5367
3	93.3922
4	93.1279
5	92.7373
6	92.3056
7	91.7711
8	91.1166
9	90.3357
10	89.5076
11	88.5846
12	87.5422
13	86.3739
14	85.1532
15	83.8467
16	82.4640
17	81.0331
18	79.5716
19	78.0750

(CRI Trust No. 78-1)

SCHEDULE D
(to Equipment Lease)

Term Lease Commencement Date
or Number of Fixed Rental
Payment Date on which
Casualty Value is Paid

Percentage of Purchase
Price Payable as
Casualty Value

20	76.5332%
21	74.9454
22	73.3277
23	71.6793
24	69.9881
25	68.2530
26	66.4889
27	64.6986
28	62.8680
29	60.9962
30	59.0961
31	57.1750
32	55.2161
33	53.2187
34	51.1942
35	49.1539
36	47.0787
37	44.9678
38	42.8312
39	40.6844
40	38.5059
41	36.2948
42	34.0552
43	31.8595
44	29.6857
45	27.5367
46	25.4086
47	23.3918
48	21.4264
49 and thereafter	20.0000

ANNEX 1 TO SCHEDULE D
(to Equipment Lease)

The percentages set forth in Table 1 to this Schedule D have been computed without regard to recapture of the Investment Credit provided for in Section 38 and related sections of the Internal Revenue Code of 1954, as amended. Consequently, the Casualty Value of any Item of Equipment suffering a Casualty Occurrence on or before the third, fifth or seventh anniversary of the original dates of delivery of such Units as set forth in Annex 2 to Schedule D shall be increased by the applicable percentage of \$33,000 set forth below:

<u>Anniversary of Original Delivery and Acceptance</u>	<u>Percentage of Purchase Price</u>
Third	19.2308%
Fifth	12.8205%
Seventh	6.4103%

ANNEX 2 TO SCHEDULE D

<u>Item Numbers</u>	<u>Delivery Date</u>
50300	10/24/78
50301	10/24/78
50302	10/24/78
50303	10/24/78
50304	10/24/78
50305	10/24/78
50306	10/24/78
50307	10/24/78
50308	10/24/78
50309	10/24/78
50310	10/24/78
50311	10/24/78
50312	10/24/78
50313	10/24/78
50314	10/24/78
50315	10/24/78
50316	10/24/78
50317	10/24/78
50318	10/24/78
50319	10/24/78
50320	10/24/78
50321	10/24/78
50322	10/24/78
50323	10/24/78
50324	10/24/78
50325	10/24/78
50326	10/24/78
50327	10/24/78
50328	10/24/78
50329	10/24/78
50330	10/24/78
50331	10/24/78
50332	10/24/78
50333	10/24/78
50334	10/24/78
50335	10/24/78
50336	10/24/78
50337	10/24/78
50338	10/24/78
50339	10/24/78
50340	10/24/78
50341	10/24/78
50342	10/24/78
50343	10/24/78
50344	10/24/78
50345	10/24/78
50346	10/24/78
50347	10/24/78
50348	10/24/78

ANNEX 2 TO SCHEDULE D, (Cont'd)

<u>Item Numbers</u>	<u>Delivery Date</u>
50349	10/24/78
50340	10/24/78
50341	10/24/78
50342	10/24/78
50343	10/24/78
50344	10/24/78
50345	10/24/78
50346	10/24/78
50347	10/24/78
50348	10/24/78
50349	10/24/78
50350	10/24/78
50351	10/24/78
50352	10/24/78
50353	10/24/78
50354	10/24/78
50355	10/24/78
50356	10/24/78
50357	10/24/78
50358	10/24/78
50359	10/24/78
50360	10/24/78
50361	10/24/78
50362	10/24/78
50363	10/24/78
50364	10/24/78
50365	10/24/78
50366	10/24/78
50367	10/24/78
50368	10/24/78
50369	10/24/78
50370	10/24/78
50371	10/24/78
50372	10/24/78
50373	10/24/78
50374	10/24/78
50375	10/24/78
50376	10/24/78
50377	10/24/78
50378	10/24/78
50379	10/24/78
50380	10/24/78
50381	10/24/78
50382	10/24/78
50383	10/24/78
50384	10/24/78
50385	10/24/78
50386	10/24/78
50387	10/24/78
50388	10/24/78
50389	10/24/78
50390	10/24/78
50391	10/24/78

ANNEX 2 TO SCHEDULE D, (Cont'd)

<u>Item Numbers</u>	<u>Delivery Date</u>
50392	10/24/78
50393	10/24/78
50394	10/24/78
50395	10/24/78
50396	10/24/78
50397	10/24/78
50398	10/24/78
50399	10/24/78
50400	10/24/78
50401	11/8/78
50402	11/8/78
50403	11/8/78
50404	11/8/78
50405	11/8/78
50406	11/8/78
50407	11/8/78
50408	11/8/78
50409	11/8/78
50410	11/8/78
50411	11/8/78
50412	11/8/78
50413	11/8/78
50414	11/8/78
50415	11/8/78
50416	11/8/78
50417	11/8/78
50418	11/8/78
50419	11/8/78
50420	11/8/78
50421	11/8/78
50422	11/8/78
50423	11/8/78
50424	11/8/78
50425	11/8/78
50426	11/8/78
50427	11/8/78
50428	11/8/78
50429	11/8/78
50430	11/8/78
50431	11/8/78
50432	11/8/78
50433	11/8/78
50434	11/8/78
50435	11/8/78
50436	11/8/78
50437	11/8/78
50438	11/8/78
50439	11/8/78
50440	11/8/78
50441	11/8/78
50442	11/8/78
50443	11/8/78
50444	11/8/78

ANNEX 2 TO SCHEDULE D, (Cont'd)

<u>Item Numbers</u>	<u>Delivery Date</u>
50445	11/8/78
50446	11/8/78
50447	11/8/78
50448	11/8/78
50449	11/8/78
50450	11/8/78
50451	11/8/78
50452	11/8/78
50453	11/8/78
50454	11/8/78
50455	11/8/78
50456	11/8/78
50457	11/8/78
50458	11/8/78
50459	11/8/78
50460	11/8/78
50461	11/21/78
50462	11/21/78
50463	11/21/78
50464	11/21/78
50465	11/21/78
50466	11/21/78
50467	11/21/78
50468	11/21/78
50469	11/21/78
50470	11/21/78
50471	11/21/78
50472	11/21/78
50473	11/21/78
50474	11/21/78
50475	11/21/78
50476	11/21/78
50477	11/21/78
50478	11/21/78
50479	11/21/78
50480	11/21/78
50481	11/21/78
50482	11/21/78
50483	11/21/78
50484	11/21/78
50485	11/21/78
50486	11/21/78
50487	11/21/78
50488	11/21/78
50489	11/21/78
50490	11/21/78
50491	11/21/78
50492	11/21/78
50493	11/21/78
50494	11/21/78
50495	11/21/78
50496	11/21/78
50497	11/21/78

ANNEX 2 TO SCHEDULE D, (Cont'd)

<u>Item Numbers</u>	<u>Delivery Date</u>
50498	11/21/78
50499	11/21/78
50500	11/21/78
50501	11/21/78
50502	11/21/78
50503	11/21/78
50504	11/21/78
50505	11/21/78
50506	11/21/78
50507	11/21/78
50508	11/21/78
50509	11/21/78
50510	11/21/78
50511	11/21/78
50512	11/21/78
50513	11/21/78
50514	11/21/78
50515	11/21/78
50516	11/21/78
50517	11/21/78
50518	11/21/78
50519	11/21/78
50520	11/21/78
50521	12/7/78
50522	12/7/78
50523	12/7/78
50524	12/7/78
50525	12/7/78
50526	12/7/78
50527	12/7/78
50528	12/7/78
50529	12/7/78
50530	12/7/78
50531	12/7/78
50532	12/7/78
50533	12/7/78
50534	12/7/78
50535	12/7/78
50536	12/7/78
50537	12/7/78
50538	12/7/78
50539	12/7/78
50540	12/7/78
50541	12/7/78
50542	12/7/78
50543	12/7/78
50544	12/7/78
50545	12/7/78
50546	12/7/78
50547	12/7/78
50548	12/7/78
50549	12/7/78
50540	12/7/78

ANNEX 2 TO SCHEDULE D, (Cont'd)

<u>Item Numbers</u>	<u>Delivery Date</u>
50541	12/7/78
50542	12/7/78
50543	12/7/78
50544	12/7/78
50545	12/7/78
50546	12/7/78
50547	12/7/78
50548	12/7/78
50549	12/7/78
50550	12/7/78
50551	12/7/78
50552	12/7/78
50553	12/7/78
50554	12/7/78
50555	12/7/78
50556	12/7/78
50557	12/7/78
50558	12/7/78
50559	12/7/78
50560	12/7/78
50561	12/7/78
50562	12/7/78
50563	12/7/78
50564	12/7/78
50565	12/7/78
50566	12/7/78
50567	12/7/78
50568	12/7/78
50569	12/7/78
50570	12/7/78
50571	12/7/78
50572	12/7/78
50573	12/7/78
50574	12/7/78
50575	12/7/78
50576	12/7/78
50577	12/7/78
50578	12/7/78
50579	12/7/78
50580	12/21/78
50581	12/21/78
50582	12/21/78
50583	12/21/78
50584	12/21/78
50585	12/21/78
50586	12/21/78
50587	12/21/78
50588	12/21/78
50589	12/21/78
50590	12/21/78
50591	12/21/78
50592	12/21/78
50593	12/21/78

ANNEX 2 TO SCHEDULE D, (Cont'd)

<u>Item Numbers</u>	<u>Delivery Date</u>
50594	12/21/78
50595	12/21/78
50596	12/21/78
50597	12/21/78
50598	12/21/78
50599	12/21/78
50600	12/21/78
50601	12/21/78
50602	12/21/78
50603	12/21/78
50604	12/21/78
50605	12/21/78
50606	12/21/78
50607	12/21/78
50608	12/21/78
50609	12/21/78
50610	12/21/78
50611	12/21/78
50612	12/21/78
50613	12/21/78
50614	12/21/78
50615	12/21/78
50616	12/21/78
50617	12/21/78
50618	12/21/78
50619	12/21/78
50620	12/21/78
50621	12/21/78
50622	12/21/78
50623	12/21/78
50624	12/21/78
50625	12/21/78
50626	12/21/78
50627	12/21/78
50628	12/21/78
50629	12/21/78
50630	12/21/78
50631	12/21/78
50632	12/21/78
50633	12/21/78
50634	12/21/78
50634	12/21/78
50635	12/21/78
50636	12/21/78
50637	12/21/78
50638	12/21/78
50639	12/21/78
50640	12/28/78
50641	12/28/78
50642	12/28/78
50643	12/28/78
50644	12/28/78
50645	12/28/78

ANNEX 2 TO SCHEDULE D, (Cont'd)

<u>Item Numbers</u>	<u>Delivery Date</u>
50646	12/28/78
50647	12/28/78
50648	12/28/78
50649	12/28/78
50650	12/28/78
50651	12/28/78
50652	12/28/78
50653	12/28/78
50654	12/28/78
50655	12/28/78
50656	12/28/78
50657	12/28/78
50658	12/28/78
50659	12/28/78
50660	12/28/78
50661	12/28/78
50662	12/28/78
50663	12/28/78
50664	12/28/78
50665	12/28/78
50666	12/28/78
50667	12/28/78
50668	12/28/78
50669	12/28/78
50670	12/28/78
50671	12/28/78
50672	12/28/78
50673	12/28/78
50674	12/28/78
50675	12/28/78
50676	12/28/78
50677	12/28/78
50678	12/28/78
50679	12/28/78
50680	12/28/78
50681	12/28/78
50682	1/16/79
50683	1/16/79
50684	1/16/79
50685	1/16/79
50686	1/16/79
50687	1/16/79
50688	1/16/79
50689	1/16/79
50690	1/16/79
50691	1/16/79
50692	1/16/79
50693	1/16/79
50694	1/16/79
50695	1/16/79
50696	1/16/79
50697	1/16/79
50698	1/16/79

ANNEX 2 TO SCHEDULE D, (Cont'd)

<u>Item Numbers</u>	<u>Delivery Date</u>
50699	1/16/79
50700	1/16/79
50701	1/16/79
50702	1/16/79
50703	1/16/79
50704	1/16/79
50705	1/16/79
50706	1/16/79
50707	1/16/79
50708	1/16/79
50709	1/16/79
50710	1/16/79
50711	1/16/79
50712	1/16/79
50713	1/16/79
50714	1/16/79
50715	1/16/79
50716	1/16/79
50717	1/16/79
50718	1/16/79
50719	1/16/79
50720	1/16/79
50721	1/16/79
50722	1/16/79
50723	1/16/79
50724	1/16/79
50725	1/16/79
50726	1/16/79
50727	1/16/79
50728	1/16/79
50729	1/16/79
50730	1/30/79
50731	1/30/79
50732	1/30/79
50733	1/30/79
50734	1/30/79
50735	1/30/79
50736	1/30/79
50737	1/30/79
50738	1/30/79
50739	1/30/79
50740	1/30/79
50741	1/30/79
50742	1/30/79
50743	1/30/79
50744	1/30/79
50745	1/30/79
50746	1/30/79
50747	1/30/79
50748	1/30/79
50749	1/30/79
50750	1/30/79
50751	1/30/79

ANNEX 2 TO SCHEDULE D, (Cont'd)

<u>Item Numbers</u>	<u>Delivery Date</u>
50752	1/30/79
50753	1/30/79
50754	1/30/79
50755	1/30/79
50756	1/30/79
50757	1/30/79
50758	1/30/79
50759	1/30/79
50760	1/30/79
50761	1/30/79
50762	1/30/79
50763	1/30/79
50764	1/30/79
50765	1/30/79
50766	1/30/79
50767	1/30/79
50768	1/30/79
50769	1/30/79
50770	1/30/79
50771	1/30/79
50772	1/30/79
50773	1/30/79
50774	1/30/79
50775	1/30/79
50776	1/30/79
50777	1/30/79
50778	1/30/79
50779	1/30/79
50780	1/30/79
50781	1/30/79
50782	1/30/79
50783	1/30/79
50784	1/30/79
50785	1/30/79
50786	1/30/79
50787	1/30/79
50788	1/30/79
50789	1/30/79
50790	1/30/79
50791	1/30/79
50792	1/30/79
50793	1/30/79
50794	1/30/79
50795	1/30/79
50796	1/30/79
50797	1/30/79
50798	1/30/79
50799	1/30/79